

CAMPAIGN SPENDING COMMISSION

STATE OF HAWAII

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|-----------------------------------|---|----------|
| In Re the Matter of |) | CA 06-10 |
| |) | |
| D.R. Horton – Schuler Homes, LLC. |) | |
| |) | |
| Respondent. |) | |
| _____ |) | |

CONCILIATION AGREEMENT

On or around August 2006, Barbara U. Wong, Executive Director for the Campaign Spending Commission ("Commission"), initiated an investigation of D.R. Horton-Schuler Homes, LLC ("Respondent"). The investigation was initiated pursuant to the express authority of section 11-193(a)(7), Hawaii Revised Statutes ("HRS"), for a determination of whether the Hawaii campaign spending laws had been violated and a complaint would be submitted to the Commission.

NOW, THEREFORE, Respondent and the Commission, having entered into conciliation and pursuant to section 11-216(g), HRS, do hereby agree as follows:

- I. That the Commission has jurisdiction over Respondent and the subject matter of this administrative action.
- II. That this Conciliation Agreement ("Agreement") and upon complete performance of the conditions stated herein has the effect of remedial or corrective action taken by Respondent pursuant to section 11-216(g), HRS.

- III. That Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- IV. That Respondent waives the right to be heard at a public hearing conducted under chapter 91, HRS, pursuant to section 11-228(b), HRS.
- V. That Respondent having voluntarily and fully cooperated with this investigation desires to resolve any potential litigation by entering into this Agreement with the Commission on his own volition and with full knowledge and understanding.
- VI. That parties agree to the pertinent facts as follows:
 - 1. On or around August 2006, Barbara U. Wong, Executive Director for the Commission, initiated an investigation of the Respondent.
 - 2. The Respondent is the sponsoring organization for the D.R. Horton-Schuler Homes noncandidate committee ("Committee").
 - 4. The Committee reported receiving a \$2,300 contribution from the Respondent on June 30, 2006.
 - 5. Section 11-204(b), Hawaii Revised Statutes (HRS), reads as follows:

"No person or any other entity shall make contributions to a noncandidate committee, in

an aggregate amount greater than \$1,000 in an election.”

6. Respondent made an excess contribution of \$1,300 to the Committee, in violation of section 11-204(b), HRS.
7. Respondent did not knowingly, intentionally, or recklessly violate section 11-204(b), HRS.

VII. Settlement Terms

1. As final settlement of the matter and issues in Conciliation Agreement #06-10, Respondent understands and agrees to an assessment of Five Hundred Dollars (\$500) pursuant to section 11-228, HRS.
2. Terms of payment of the assessment shall be by Order of the Commission.
3. Respondent agrees to comply with Hawaii laws on contributions and expenditures.

VIII. The Commission upon its own motion or a written request of anyone filing a complaint under section 11-216, HRS, may review compliance with the Agreement. If the Commission believes that the Agreement has been violated, it may institute administrative proceedings or a civil action in the Circuit Court of the First Circuit pursuant to section 11-228(c), HRS.

- IX. This Agreement shall become effective as of the date that all parties have signed and the Commission has approved the entire Agreement.
- X. This Agreement constitutes the entire agreement between the Commission and Respondent on the matters raised herein, and no other statement, promise, or agreement, either in writing or oral, not contained in this Agreement made by either party or by agents of either party shall be enforceable.
- XI. This Agreement, unless violated, shall be a complete bar to any further action by the Commission with respect to the violations at issue in this matter and any and all other matters covered by this Agreement.

FOR THE COMMISSION:

Barbara Wong, Executive Director

Date: _____

FOR THE RESPONDENT:

D.R. Horton-Schuler Homes, LLC

By: _____

Its: _____

Date: _____